

**UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA**

Gidget Bailey, Michelle Spindler,
Florence Thurmer, Jeanette Vineski, and
Cheryl Polansky,

Civil No. 03-3181 (DWF/SRN)

Plaintiffs,

ORDER

Millennium Charity Plus, Inc., f/k/a
Little Canada Charity Plus, a Non-Profit
Corporation, and Jan Sherman, Joon Kim,
Patricia May Pillsbury, Richard Pillsbury, Sadie
Zibley, Maggie Belde, Benjamin Belde, and Linda
Fahey, individuals,

Defendants.

Richard A. Williams, Jr., Esq., and Angela M. Rouillard, Esq., Williams & Iversen,
counsel for Plaintiffs.

H. Le Phan, Esq., Paul J. Zech, Esq., and Randy Sparling, Esq., Felhaber, Larson, Fenlon
& Vogt, PA, counsel for Defendants.

This matter is before the Court pursuant to Plaintiffs' Motion for a Temporary Restraining Order (TRO) (Doc. No. 77). Plaintiffs filed the motion after Defendants failed to contact the Court as they represented they would in letters to the Court dated September 29, 2005, and January 13, 2006. As a result of Defendants' failure to contact the Court, funds at issue in this litigation have now been given to third parties who are not parties to this litigation.

On August 10, 2006, the Court held a hearing on the matter, during which the Court issued its ruling. This Order summarizes the Court's ruling.

For the reasons stated at the August 10 hearing and in order to preserve the status quo until the substantive matters related to this action can be heard, **IT IS HEREBY ORDERED THAT:**

1. Plaintiffs' Motion for a Temporary Restraining Order (Doc. No. 77) is **GRANTED IN PART.**

2. By 5 p.m. on Friday, August 11, 2006, Defendants shall contact the Church of St. John's of Little Canada, the Dorothy Day Center/Catholic Charities, Little Canada Elementary School/Roseville School District, Little Sisters of the Poor, Preport West, Salvation Army, Our Lady of Good Counsel Home, and the American Red Cross and apprise them of the issues that have arisen as a direct result of Defendants' failure to contact the Court prior to Defendants' disbursement of funds in July and August 2006. Defendants shall provide the above-named entities with a copy of the Court's Order that relates solely to them. Also on that day and after Defendants have contacted the above-named entities, Defendants shall certify in writing to the Court and to Plaintiffs that the above-named entities have been given a copy of the Court's Order relating to those entities.

3. Immediately, upon receipt of the letters from the Church of St. John's of Little Canada, the Dorothy Day Center/Catholic Charities, Little Canada Elementary School/Roseville School District, Little Sisters of the Poor, Preport West, Salvation Army, Our Lady of Good Counsel Home, and the American Red Cross that are required

under the Court's Order relating to those entities, Defendants' counsel shall provide copies of those letters to the Court and to Plaintiffs' counsel.

4. Plaintiffs, Plaintiffs' counsel, Defendants, and Defendants' counsel are ordered to appear before Magistrate Judge Susan Richard Nelson on September 22, 2006, at 9 a.m. for a settlement conference. At that time, the parties may also address issues outstanding in this matter, including, but not limited to, discovery issues relating to the accounting of funds, the scheduling of motions for attorney fees and costs, sanctions, and/or contempt, and the possibility of joining any third parties. In the event that the parties agree that the September 22, 2006, date needs to be changed, the parties shall immediately contact Magistrate Judge Nelson's chambers at 612-664-5490 to reschedule the settlement conference.

5. Under its discretionary powers, the Court reserves its right to revisit the issue of sanctions relating to Defendants' failure to notify the Court as represented in the letters to the Court dated September 29, 2005, and January 13, 2006.

6. Given the nature of the current dispute and the stage of the proceedings, the Court expects both parties and their respective counsel to keep the Court apprised of any developments that might impede any party's compliance with this Order and with the Order relating to the Church of St. John's of Little Canada, the Dorothy Day Center/Catholic Charities, Little Canada Elementary School/Roseville School District,

Little Sisters of the Poor, Preport West, Salvation Ar my, Our Lady of Good Counsel
Home, and the American Red Cross.

Dated: August 10, 2006

s/Donovan W. Frank
DONOVAN W. FRANK
Judge of United States District Court